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We should avoid construing the proliferation of precarious work as a global catastrophe

LSE British Politics and Policy Blog

<http://blogs.lse.ac.uk/politicsandpolicy/the-catastrophe-of-precarious-work/>

*In recent years the labour market has undergone a profound transformation, with precarious employment conditions a fact of life for an increasingly large section of the workforce. **Elizabeth Cotton** explains how this change has been driven by the contracting out of risk and duties of the employer vis-a-vis employees onto others. However there are problems within the existing literature on the subject, which are likely to impede meaningful social responses unless they are addressed.*

The debate about regulating precarious work is a defining one in the field of employment relations, challenging established management practices and questioning the entire contents of business school libraries. Despite the trend of flexibilisation and development of global production systems being in evidence since the 1970s, the precarious work debate is a relatively young one, in part trying to understand this process of externalization. Externalisation is the trend of obtaining labour from outside a corporation's boundaries, linked to the strategy of outsourcing and contracting out. This involves what is sometimes called a triangulation of the employment relationship, no longer a neat binary affair, with the introduction of a third party.

Along with this profound change in the employment relationship come other externalizations; projections of risk and duties away from the principal employer onto others. This process of externalization is seen graphically in the growth of private employment agencies (PrEAs), providing temporary agency work mainly to other huge companies. The employment agency industry reached US\$203 billion turnover in 2009, with Adecco, Randstad and Manpower representing some of the largest multinational companies in the world. Over 30% of the global agency industry is controlled by just 10 multinational companies. Clearly, they are not going anywhere.

Academic discussions about this externalization of labour are currently framed within a debate about 'precarious' work. Part of this debate is characterized by the **writings of Guy Standing** arguing that neo-liberal labour market flexibility has led to an increase in precarious work, defined by labour insecurity, lack of social income and work based identity. This change is building a "class-in-the-making", a "precariat" representing a potentially dangerous new underclass which will over time reject existing institutions and demand autonomy to create new social and workplace organizations.

Despite the lack of evidence of a global and revolutionary new class emerging from changes in work organization, Standing's 'precariat' formulation has caught our attention. On some level, most of us can identify with the fear of social unrest during a global recession, threatening old structures and a world where people work safely 9-5. However, it is important not to confuse an emotional reality of insecurity with structural insecurity of the employment relationship. We often mix up for example job stability, defined as length of job tenure, and job security, a much more complex and 'messy' idea involving

perceptions, probabilities and anxieties. Our sense of job security is not just about the job – it's about what we think would happen if we lost it involving other factors like changes in welfare, occupational change and casualisation. Just ask an investment banker from Barclays.

In response to claims of the creation of a dangerous new class, **Kevin Doogan** argues that this “transformation thesis” (precarious work = creation of a precariat) involves significant generalizations and misconceptualizations about the scale and nature of the changes that have taken place. We haven't all become precarious to the same degree at the same time. He argues that this over-generalization has resulted in a substantial gap between public perception and real labour market changes, grouping together different types of employment arrangements only some of which have inherent instabilities. He even goes as far as to say that if we take the example of part time work in the UK and USA we're seeing an increase in security for groups typically hard done by traditional employment relations (read women with kids).

One of the problems with framing our thinking about the future of employment relations within a broad definition of precarious work is that it has a catastrophising tendency. In a context of global recession and flexibilization of labour, the problem of precarity is too big to take on. We're all doomed. This not only causes a catastrophisation of the problem of externalized labour, it serves to obscure concrete steps that can be taken to reduce labour insecurity. For example, Standing grandly “airbrushes out” trades unions describing them as old school labourists only interested in traditional membership. This is playing to the crowd, and those groovy middle-class kids interning as revolutionaries. This isn't just about being rude, it's pretty disastrous for working people to ignore probably the most likely source of support for genuinely insecure workers. It's also inaccurate, denying the existence of the largest membership organisations in the world and failing to explain over 100 years of work by unions in precarious sectors like construction and agriculture. To be sure trades union were late to the game, and continue at times to drag their heels doing the much needed job of organizing. But that's not always because they are old blokes, rather that organizing externalized workers is inherently difficult and sometimes we don't raise to the real challenges in front of us. We're all guilty of that. To remove trade unions from the strategic discussions about precarious work with a broad ideological sweep of the hand not only denies the reality of trades union work with non-standard workers, but it also misses important opportunities for much needed change at the level of the workplace.

A second problem with Standing's formulation of class based precarity unified by a utopian ideology is that this sets the basis of agreements very high, calling for the development of a utopian political identity. Even if we are encouraged to think this political project could be achieved (and as an old person I can't begin to imagine how many rainy Tuesday night meetings that baby is going to take), a real question remains whether it is in fact necessary. Do we really need to agree on ideology to address the working conditions of a growing number of non-permanent and non-direct workers? Wouldn't we be better just trying to secure basic standards?

A few months ago a **global union federation Industriall** (enormous with 50 million members) signed an international Temporary Work Charter with Volkswagen. The agreement commits Volkswagen to limit the use of temporary work to a maximum of five per cent of the workforce, along with the principle of equal pay and access to training for contract and agency workers. This is not sexy, no revolution but it commits one of the largest MNCs in the world to putting a limit on insecure work. At the risk of sounding naïve that's a pretty good regulatory outcome for contract and agency workers.

You can read more about precarious work in an upcoming book *Vulnerable Workers and Precarious Working*, published by Cambridge Scholars publishing, in May 2013.

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

About the Author

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